

IC 20-47-4

Chapter 4. Lease of Existing School Building

IC 20-47-4-1

Application

Sec. 1. This chapter applies to the lease by a school corporation of an existing school building or improved school building under IC 20-47-2 or IC 20-47-3.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-2

"Existing school building"

Sec. 2. As used in this chapter, "existing school building":

(1) includes a:

(A) school building; or

(B) building that after acquisition will be used as a school building; and

(2) may include more than one (1) building.

The term does not include a portable or relocatable building or classroom.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-3

"Improved school building"

Sec. 3. As used in this chapter, "improved school building" means an existing school building as improved, renovated, remodeled, or expanded by a lessor corporation.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-4

"School building"

Sec. 4. As used in this chapter, "school building" has the meaning set forth in IC 20-47-2-4 or IC 20-47-3-2.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-5

Powers; lessor corporation; acquisition and financing of existing or improved school building

Sec. 5. A lessor corporation qualified or formed to acquire a site, erect a school building on the site, and lease the school building to a school corporation under IC 20-47-2 or IC 20-47-3 may:

(1) be qualified or formed to acquire, improve, or expand an existing school building;

(2) acquire, improve, or expand an existing school building;

(3) finance an existing school building or improved school building; and

(4) lease an existing school building or improved school building to a school corporation under applicable law.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-6**Powers; acquisition and financing of existing school building; compliance with other laws**

Sec. 6. (a) A lessor corporation may acquire and finance an existing school building, other than as provided in section 5 of this chapter, and lease the existing school building to a school corporation. A school corporation shall comply with IC 20-47-2 or IC 20-47-3 and the petition and remonstrance provisions under IC 6-1.1-20.

(b) A lease made under this section may provide for the payment of lease rentals by the school corporation for the use of the existing school building.

(c) Lease rental payments made under the lease do not constitute a debt of the school corporation for purposes of the Constitution of the State of Indiana.

(d) A new school building may be substituted for the existing school building under the lease if the substitution was included in the notices given under IC 20-47-2, IC 20-47-3, and IC 6-1.1-20. A new school building must be substituted for the existing school building upon completion of the new school building.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-7**Limitation on payment of legal or other professional fee**

Sec. 7. A school corporation may not pay a legal or other professional fee as the result of an exchange or a substitution under section 5 or 6 of this chapter.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-8**Compliance with other laws**

Sec. 8. (a) Except as provided in subsection (b), the lease or contract of lease of an existing school building or improved school building to a school corporation as authorized by this chapter must comply with all applicable terms of IC 20-47-2 or IC 20-47-3, including:

- (1) the notice of hearing on the lease;
- (2) public hearing;
- (3) notice of execution of lease; and
- (4) the submission of plans and specifications for the improvement or expansion of the existing school building for approval by the state agencies designated in IC 20-47-2 or IC 20-47-3 or otherwise required by law or rule.

(b) If a school corporation is occupying and using an existing school building during the renovation, remodeling, or expansion of the building, the lease or contract of lease may provide for the payment of lease rental by the school corporation for the use of the building during renovation, remodeling, or expansion.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-9**Sales price; compliance with other laws**

Sec. 9. The sale price of an existing school building must be determined under the provisions of IC 20-47-2 or IC 20-47-3 relating to the sale of land to a lessor corporation. Except as provided in this section, IC 20-26-7 and any other law relating to the sale of the property of school corporations or other public property do not apply to the sale of an existing school building to a lessor corporation under this chapter.

As added by P.L.2-2006, SEC.170.

IC 20-47-4-10**Deposit of proceeds from sale**

Sec. 10. A school corporation that sells an existing school building under section 6 of this chapter shall deposit the proceeds of the sale in the school corporation's capital projects fund and use the proceeds only for:

- (1) new construction of school buildings;
- (2) related site acquisition; and
- (3) related site development.

However, any amount of the proceeds of the sale that are not used for a purpose described in subdivisions (1) through (3) within one (1) year after the school corporation receives the proceeds must be transferred to the school corporation's debt service fund.

As added by P.L.2-2006, SEC.170.